



## *Child Care Financing Program*

The Virginia Small Business Financing Authority's *Child Care Financing Program* (CCFP) is designed to assist Virginia child care providers in obtaining financing for fixed asset needs. The Virginia Small Business Financing Authority offers direct low-interest rate loans to regulated child care providers for quality enhancement projects or to meet or maintain childcare standards.

### **Eligible Borrowers:**

#### *Child Care Centers*

- Regulated providers as defined in the Code of Virginia 63.1-195. "Regulated may be 1) licensed by the Virginia Department of Social Services (DSS), or 2) filed as "religious-exempt" with the Virginia DSS.

#### *Family Home Provider*

- "Regulated" provider may be 1) licensed by the Virginia DSS, 2) registered through the Voluntary Registration Program, 3) part of a Licensed Family Day Care System, or 4) participating in the USDA Food Program.

### **Amounts:**

*Child Care Centers:* Up to \$150,000

*Family Home Providers:* Up to \$10,000

### **Maximum Term:**

*Child Care Centers:* Up to 7 years

*Family Home Providers:* Up to 7 years

### **Fees:**

Non-refundable application fee:

*Child Care Centers:* \$100

*Family Home Providers:* \$15

### **Interest Rate:**

WSJ Prime minus 3% fixed, however the rate would not be lower than 4%.

### **GENERAL ELIGIBILITY REQUIREMENTS:**

Loan proceeds cannot be used for the purchase or improvement of land, building construction, permanent mortgages, working capital or to refinance existing debt. Loan proceeds are used to make payments directly to vendor(s) or to reimburse borrowers for costs, supported by paid receipts, incurred after the date of written loan approval from the VSBFA.

To be eligible to **apply** for assistance under the *Child Care Financing Program*, the applicant **must**:

- Be in "good standing" with the Division of Licensing Programs of the Department of Social Services.
- Demonstrate a reasonable assurance of repayment.
- Maintain business operations in Virginia.

Under the *Child Care Financing Program*, the loan proceeds can be used:

- For fixed asset purchases directly related to the health, safety and welfare of the children, such as playground equipment, resilient surfacing for playground areas, lockable cabinets for cleaning supplies and other poisonous substances, cots, cubbies, books, blankets, educational materials, and equipment for infant care, etc.
- For minor building maintenance, renovations, or repairs necessary to comply with health and safety standards required by the Department of Social Services, or to meet necessary requirements for children with special needs, etc.
- To purchase buses (centers only).
- To purchase learning aids, tools or programs to aide in the development of the children, etc.

For additional information and application materials, call us at 1-866-248-8814 or visit us on our website, [www.vdba.virginia.gov](http://www.vdba.virginia.gov).